

SCOWCROFT

L. L.

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BULLETIN

SAUDI

A178
2d ref

I AMMAN, JORDAN (AP)-SAUDI ARABIA HAS DECIDED TO CUT OFF
ALL OIL SHIPMENTS TO THE UNITED STATES BECAUSE OF U.S. ARMS
SUPPLIES TO ISRAEL, RYIADH RADIO SAID SATURDAY.

SAUDI ARABIA IS THIRD AMONG AMERICA'S FOREIGN OIL SUPPLIERS,
TRAILING CANADA AND VENEZUELA. IT SUPPLIES 19,740,000 BARRELS
OF OIL A MONTH OUT OF THE NEARLY 400 MILLION THE UNITED STATES
CURRENTLY PROCESSES.

KB319PED OCT. 20

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RNR 1200

MIDEAST - EXPORT 2 AMMAN*** (RNR 10...TONIGHT)

THE SAUDI DECISION FOLLOWED AN ANNOUNCEMENT BY LIBYA
YESTERDAY THAT IT WAS STOPPING ALL OIL EXPORTS TO THE
UNITED STATES.

A SIMILAR DECISION WAS MADE BY ABU DHABI EARLIER THIS
WEEK AND SAUDI ARABIA -- THE BIGGEST PETROLEUM EXPORTER IN
THE WORLD -- HAS WARNED THAT IT WILL FOLLOW SUIT IF WASHINGTON DOES
NOT CEASE ITS MILITARY SUPPORT OF ISRAEL.

THE MOVES FOLLOW A MEETING OF THE GULF OIL-PRODUCING
STATES AT WHICH IT WAS DECIDED TO CUT PRODUCTION PROGRESSIVELY
BY FIVE PER CENT A MONTH AS A WAY OF BRINGING PRESSURE ON
SUPPORTERS OF ISRAEL IN THE MIDDLE EAST WAR.

U.S. OFFICIALS HAVE SAID THAT ONLY ABOUT SIX PER CENT
OF AMERICAN OIL IMPORTS COMES FROM THE MIDDLE EAST.

TODAYS BROADCAST STATEMENT ISSUED BY THE SAUDI ROYAL CABINET
SAID: "ON THE BASIS OF A STATEMENT ISSUED BY THE ROYAL CABINET
ON THURSDAY IN WHICH THE SAUDI ARABIAN KINGDOM ANNOUNCED
ITS DECISION TO CUT OIL PRODUCTION BY 10 PER CENT IMMEDIATELY...

"AND IN VIEW OF THE INCREASE IN AMERICAN SUPPORT
FOR ISRAEL, THE SAUDI ARABIAN KINGDOM HAS DECIDED TO STOP
THE EXPORT OF OIL TO THE UNITED STATES OF AMERICA FOR ADOPTING
SUCH A STAND."

REUTER JW/AC 1544